

# AllenCo Energy, Inc.

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Virgilio Sklar  
Office of Regional Counsel  
U.S. EPA, Region IX 75  
Hawthorne Street  
San Francisco, CA 94105 March

3, 2014

VIA FIRST CLASS AND ELECTRONIC MAIL

Re: Re: February 10, 2014 Information Request to AllenCo Energy, Inc.

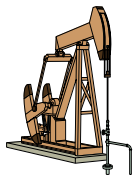
Dear Mr. Sklar,

This letter is in response to your February 10, 2014 request (“Request”) to AllenCo Energy Inc. (“AllenCo”) regarding its operations at 814 West 23<sup>rd</sup> Street in Los Angeles, California. AllenCo already provided certain documents responsive to the Request on February 12, 2014 relating to agreements, leases, and assignments of AllenCo.

The financial information provided in response to the questions in this Request is considered by AllenCo to be Confidential Business Information (“CBI”) as that phrase is defined in the Request and AllenCo requests that it be maintained in a separate and confidential file and not disclosed to any members of the public.

**Substantiation Requirements:**

1. The responses to the questions in the Request dealing with revenues, costs, and profits implicate CBI. The requested information relates to AllenCo’s small 85-barrel-per-day oil production facility. The oil production business is intensely competitive and any insight that a competing operation might gain into the inner financial workings of AllenCo may create a competitive disadvantage for AllenCo. Because this information is commercially sensitive, AllenCo requests that the EPA keep this information confidential for a period of 25 years, at which point the information is no longer likely to act to AllenCo’s competitive disadvantage.



# AllenCo Energy, Inc.

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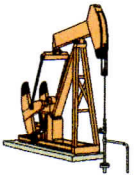
2. As explained above, keeping the financial information confidential for 25 years significantly reduces the risk that a competitor of AllenCo might use the information to AllenCo's competitive disadvantage.
3. The information requested by the EPA is not available to members of the public. AllenCo utilizes internal controls (e.g., passwords and alarms) to keep this information secure. This information is not disclosed to anyone other than top level managers at AllenCo.
4. The information is the kind that AllenCo would not customarily release to the public. AllenCo is not aware of any place where the requested information is publicly available. AllenCo is not aware of any means by which this information could be publicly accessed.
5. AllenCo believes that it is typical for a governmental body to maintain the requested information as confidential.
6. The categories of information that are CBI are addressed below:

Question 1: This question requests "cost information relating to work undertaken, planned, or considered to address deficiencies identified by EPA's Findings of Violation, dated January 15, 2014."

The requested "cost information", if not kept confidential, is likely to cause substantial harm to the competitive position of AllenCo because it will provide AllenCo's competitors with detailed information about AllenCo's operations and finances.

Question 2: This question requests a "statement and supporting documentation indicating AllenCo Energy, Inc.'s present net worth and gross revenues for calendar and/or fiscal year 2013."

The requested information is not publicly available and is commercially sensitive. If AllenCo's competitors learned about its costs or profit margins, they could strategically lower their prices on key products and services to such a degree that AllenCo could no longer compete in the industry. Competitors could also then make more effective business plans that would give them an unfair advantage.



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7. The information being submitted was formally requested by the EPA and AllenCo believes it is under a mandatory obligation to submit the requested information.

8. Because AllenCo is in active litigation relating to many of the same issues that are at the center of the Request, not only is the information CBI, but in many cases the answers to these questions are premised on advice received from counsel in the context of the litigation

and arguably implicates attorney-client privilege. Allowing this information to be kept confidential for 25 years would be a sufficient window to ensure that any litigation relating to this issue has been long since resolved.

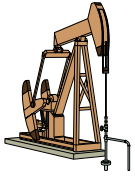
The answers to each substantive question in the request are attached hereto. Please let me know if you have any questions or further concerns.

Sincerely,

A handwritten signature in blue ink that reads "Logan Allen". The signature is written in a cursive, flowing style.

Vice President of Sales  
AllenCo Energy, Inc.

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# AllenCo Energy, Inc.

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## BUSINESS CONFIDENTIAL

















**ATTACHMENT A**  
**BUSINESS CONFIDENTIAL**





